

REDEVELOPMENT AGENCY MINUTES

**THE CITY COUNCIL/REDEVELOPMENT AGENCY MEETING
OF
TUESDAY, MARCH 5, 1996**

The meeting called to order as The City Council at 10:05 a.m.

Roll Call

Present: Mathis, Wear, Kehoe, Stevens, Warden,
McCarty, Vargas and Chair Golding

City Manager, Jack McGrory
City Attorney, John Witt
Secretary, Charles Abdelnour

Excused: Member Stallings

The meeting adjourned as The City Council at 10:19 a.m.

The meeting reconvened as The Redevelopment Agency at 10:20 a.m.

CONSENT - ADOPTION

1. Approval of the minutes of February 20, 1996.

Motion by Member Mathis to approve (with Stallings not present)
Second by Member Kehoe
Vote: 8-0

2. Approving resolution to:

Consent to joint public hearing with The City Council on the proposed First Amendment to the City Heights Redevelopment Plan, and authorizing the City Clerk to set time, date and place therefor.

See Redevelopment Agency report dated March 5, 1996.

Council Companion Item No. 337.

No one spoke in opposition to this item.

Motion by Member Mathis to approve (with Stallings not present)
Second by Member Kehoe
Vote: 8-0

Redevelopment Agency Resolution Number R-2622; and City Council Resolution Number R-287010.

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CONSENT - ADOPTION

3. Approving resolution to:

A joint public hearing with City Council on the proposed San Ysidro Redevelopment Plan, and authorizing the City Clerk to set time, date and place therefor.

See Redevelopment Agency report dated March 5, 1996.

Council Companion Item No. 338.

No one spoke in opposition to this item.

Motion by Member Mathis to approve (with Stallings not present)

Second by Member Kehoe

Vote: 8-0

Redevelopment Agency Resolution Number R-2623; and City Council Resolution Number R-287011.

6. Approving resolution to:

Accept public comment on the draft Environmental Impact Report (EIR) for the proposed City Heights Redevelopment Project and directing the Deputy Executive Director to include responses to the public comments in the final EIR.

No one spoke in opposition to this item.

Motion by Member Mathis to approve (with Stallings not present)

Second by Member Kehoe

Vote: 8-0

Redevelopment Agency Resolution Number R-2624.

7. Approving resolution to:

Accept public comment on the draft Environmental Impact Report (EIR) for the proposed San Ysidro Redevelopment Project and directing the Deputy Executive Director to include response to the public comments in the final EIR.

No one spoke in opposition to this item.

Motion by Member Mathis to approve (with Stallings not present)

Second by Member Kehoe

Vote: 8-0

Redevelopment Agency Resolution Number R-2625.

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CONSENT - ADOPTION

8. Approving resolutions and document to:

Item A. Authorize submittal of proposed Redevelopment Plan and related documents to Planning Commission and the Project Area Committee (PAC).

Item B. Approve and adopt rules for owner participating and authorizing transmittal to City Council.

See Redevelopment Agency report dated February 20, 1996.

No one spoke in opposition to these item.

Motion by Member Mathis to approve (with Stallings not present)

Second by Member Kehoe

Vote: 8-0

Redevelopment Agency Resolution Numbers R-2626, R-2627 and R-2628 and Document Number D-2588.

12. Approving resolution and document to:

A resolution approving a contract amendment with Castello, Inc., in an amount not to exceed \$1,681,000 with an overall project cost in the amount not to exceed \$2,024,000.

No one spoke in opposition to this item

Motion by Member Mathis to approve (with Stallings not present)

Second by Member Kehoe

Vote: 8-0

Redevelopment Agency Resolution Number R-2629, and Document Number D-2596.

The meeting adjourned as The Redevelopment Agency at 10:25 a.m.

The meeting reconvened as The City Council at 10:26 a.m.

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ADOPTION

4. Approving resolution to:

Council Item No. 334, Redevelopment Agency Item No. 4.

An amendment to the Fiscal year **1995-96** Budget increasing Centre City Loan Repayments in the amount of \$2.8 million and decreasing the Project Budget for the Library in the amount of \$2.8 million.

See Centre City Development Corporation report dated February 5, 1996.

No one spoke in opposition to this item.

Councilmember Warden said in reviewing Exhibit A, had concerns about the revenue sources that were used.

Frank Alessi, project manager, Centre City Development Corporation, gave an update on the cash flow, and stated we can do it in three years instead of two years.

Peter Hall, President, Centre City Development Corporation, presented the staff report and gave an overview of the project.

Councilmember McCarty congratulated and thanked the Mayor and staff on the proposed site location.

Councilmember Stevens thanked the Mayor on moving forward with this project, also the financing, and creating a financing plan.

Mayor Golding said this project is for everyone, the community, the people of San Diego, and tourists.

Motion by Member Wear (with Stallings not present) to approve

Second by Member Kehoe

Vote: 8-0

Redevelopment Agency Resolution Number R-2630; and City Council Resolution Number R-287008.

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ADOPTION

5. Approving resolutions and documents to:

Council Item No. 601, Redevelopment Agency Item No. 5.

Item A. A Disposition and Development Agreement (DDA) with FIGI Graphics for the development of Lots 7, 8, 9 in Gateway Center East; and

Item B. Certify the Environmental Secondary Study for the proposed sale of real property in Gateway Center and the development by J. Todd Figi.

See Southeastern Economic Development Corporation report dated March 5, 1996.

Reynaldo Pisano distributed and discussed his letter dated March 1, 1996, to the Mayor and Councilmembers.

Councilmember Warden requested that staff give a brief background of the proposed project and the financing plan.

Carolyn Smith, President, Southeastern Economic Development Corporation, gave a brief update on the financing and the proposed project.

Councilmember Warden asked what is the total outlay that the developer will put into the project?

Ms. Smith said the agency will receive \$457,000 plus 5% interest over 5 years.

Councilmember Stevens had some concerns about the employment for the community.

Ms. Smith said, we are anticipating 70 to 100 new employees, and that 40% was a fair representation of southeastern residents to be able to obtain those new jobs.

Councilmember Stevens said the Keyser jobs that are there, give me an idea large number of jobs in what category?

Ms. Smith responded there are more employed in the professional and semi-skilled areas as opposed to unskilled manufacturer. She said he has over 50% that were unskilled and there is a substantial change in that area.

Councilmember Stevens said it's over 50% and that will increase with the addition in terms of skill?

Ms. Smith answered yes

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ADOPTION

Council Item No. 601/Redevelopment Agency Item No. 5 - continued

Councilmember Stevens said that a maximum over three years period a goal should reach 50%. He supported the agreement, but amended the motion to require at least by the end of three years to reach 50% by Figi Graphics.

Ms. Smith stated that the motion needs to include their basic concepts and incorporate Mr. Pisano concerns stated in his letter, dated March 1, 1996.

Motion by Member Stevens to approve as amended as stated above (with Stallings not present)

Second by Member Warden

Vote: 8-0

Redevelopment Agency Resolution Numbers R-2631 and R-2632, and Document Numbers D-2589 and D-2600; and City Council Resolution Numbers R-287016 and R-287017.

11. CONDEMNATION OF ALDON LEASING, A PARTNERSHIP, IN THE LITTLE ITALY REDEVELOPMENT DISTRICT OF THE CENTRE CITY REDEVELOPMENT PROJECT.

(RA 96-93)

Authorizing condemnation proceedings to acquire one ownership parcel, owned by Aldon Leasing, Parcel No. 533-323-03 & 04.

See Centre City Development Corporation report dated February 16, 1996.

Bill Nolan, attorney, representing Aldon Leasing, stated we do not get a copy of the resolution or the report. He said we object to the valuation that was done on this property by Centre City Development Corporation, and we made a counter offer. Mr. Nolan said the appraisal does not represent a fair compensation for the value of this property.

Peter Hall, President, Centre City Development Corporation, said we made an offer on the site, and this site is the last parcel that is part of the over all block called the Little Italy Neighborhood Developers. He stated we made an offer, and they responded with a counter offer.

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Redevelopment Agency Item No. 11 - continued

Chair Golding asked how long have you been negotiating with them?

David Allsbrook stated we made the offer on January 25, 1996.

Chair Golding how far apart we in the negotiations?

David Allsbrook said approximately \$100,000.

Chair Golding asked did the property owner had an appraisal done?

David Allsbrook answered yes?

Chair Golding asked what was his appraisal?

David Allsbrook stated would be available to answer the questions in closed session.

Motion by Member Wear to continue for two weeks in Closed Session (with Stallings not present)

Second by Member Stevens

Vote: 8-0

9. Approving resolution and document to:

The Public Improvement Agreement with Jacquelyn M. Shales Littlefield, and Jacquelyn M. Shlaes Littlefield and City National Bank, as co-trustees under the will of Louis B. Metzger, deceased.

See Centre City Development Corporation report dated January 3, 1996

No one spoke in opposition to this item.

Councilmember Warden said had her question answered

Motion by Member Warden to approve (with Stallings not present)

Second by Member Mathis

Vote: 8-0

Redevelopment Agency Resolution Number R-2633, and Document Number D-2590.

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ADOPTION

10. Approving resolution and document to:

A Negotiation Agreement with ManSerMar and H. Sanders & Company for the purpose of Negotiating all of the terms and conditions of a Disposition & Development Agreement for the acquisition and development of the Agency-owned site located in 900 F Street.

See Centre City Development Corporation report dated February 16, 1996.

No one spoke in opposition to this item

Councilmember Warden asked if we can get all of the information so that we can review before coming to the hearing, and we do not need to ask questions asked. She had concerns about the total financing, and selection process.

Peter Hall stated for the record since he has property in this area, which is within 1,500 feet of this project, a conflict of interest. He said has deferred all actions to Janice Weinrick.

Janice Weinrick stated Dennis Campbell, project manager for this project, and we are available to answer any questions. She said gave an over view of project, the business plan, the conventional financing process, and the additional agency's assistance which would be the low and moderate income housing fund monies.

Motion by Member Warden to approve (with Stallings not present)

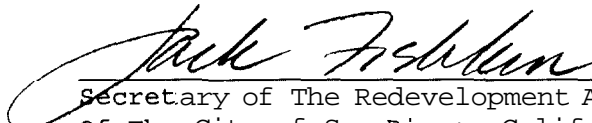
Second by Member Wear

Vote: 8-0

Redevelopment Agency Resolution Number R-2634 and Document Number D-2591.

ADJOURNMENT

The meeting adjourned at 11:15 a.m.


Secretary of The Redevelopment Agency
Of The City of San Diego, California